

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
In re

Chapter 11

KIC-1, L.L.C.

Case No. 10-12753

Debtor.  
-----X

**MONTHLY OPERATING STATEMENT FOR THE PERIOD OF  
DECEMBER 1, 2010 TO DECEMBER 31, 2010**

DEBTOR'S ADDRESS:

753 9th Ave  
New York, NY

MONTHLY DISBURSEMENTS:  
\$10,480.36

DEBTOR'S ATTORNEY:

Backenroth, Frankel & Krinsky, LLP  
489 Fifth Avenue  
New York, New York 10017

MONTHLY OPERATING  
PROFIT (LOSS):  
\$3,177.75

REPORT PREPARER:

Mark Frankel, based upon attached information supplied by the Debtor.

THIS OPERATING STATEMENT MUST BE SIGNED BY A REPRESENTATIVE OF  
THE DEBTOR.

The undersigned, having reviewed the attached report and being familiar with Debtor's financial affairs, verifies under the penalty of perjury, that the information contained therein is complete, accurate and truthful to the best of my knowledge.

DATE: 2/8/11

/s/ Mark Frankel, as Attorney  
SIGNATURE AND TITLE

Indicate if this is an amended statement by checking here

AMENDED STATEMENT

Receipts and Disbursements

	<u>Month to Date</u>	<u>Year to Date</u>
<u>RECEIPTS</u>	\$13,658.11	\$124,775.55
<u>DISBURSEMENTS</u>	\$10,480.36	\$166,510.55

Balance Sheet

ASSETS

Real Property	\$4,500,000
Personal Property	(Debtor's belief) \$125,836

LIABILITIES

First Mortgage	\$2,500,000
Priority Claims	\$11,020
General Unsecured Claims	\$61,685



JPMorgan Chase Bank, N.A.  
P O Box 659754  
San Antonio, TX 78265 - 9754

December 01, 2010 through December 31, 2010

Account Number: **000000902949239**

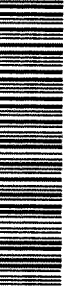


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KIC 1 LLC DIP ACCOUNT  
DEBTOR IN POSSESSION  
CASE #1012753  
1461 1ST AVE  
NEW YORK NY 10075-2201

#### CUSTOMER SERVICE INFORMATION

Web site: **Chase.com**  
Service Center: **1-800-242-7338**  
Hearing Impaired: **1-800-242-7383**  
Para Espanol: **1-888-622-4273**  
International Calls: **1-713-262-1679**



### Important Information about Chase Business Checking and Savings Accounts

Please see the end of this statement for changes to the Account Rules and Regulations - Additional Banking Services and Fees for Business Accounts effective February 5, 2011. If you have questions, please call us at 1-800-CHASE38 (1-800-242-7338).

#### CHECKING SUMMARY

Chase BusinessClassic

	INSTANCES	AMOUNT
<b>Beginning Balance</b>		<b>\$56,237.99</b>
Deposits and Additions	3	13,658.11
Checks Paid	2	- 3,603.44
Fees and Other Withdrawals	6	- 6,876.92
<b>Ending Balance</b>	<b>11</b>	<b>\$59,415.74</b>

Your monthly service fee was waived because you maintained an average checking balance of \$7,500 or more during the statement period.

#### DEPOSITS AND ADDITIONS

DATE	DESCRIPTION	AMOUNT
12/09	Book Transfer Credit B/O: Matthew C Roddan New York NY 10019- Ref: Rent 5C Trn: 0174600343Es	\$980.65
12/22	Deposit 800217152	8,818.97
12/22	Deposit 800217151	3,858.49
<b>Total Deposits and Additions</b>		<b>\$13,658.11</b>



December 01, 2010 through December 31, 2010

Account Number: **000000902949239**

## BALANCING YOUR CHECKBOOK

**Note: Ensure your checkbook register** is up to date with all transactions to date whether they are included on your statement or not.

1. Write in the Ending Balance shown on this statement: **Step 1 Balance:** \$ \_\_\_\_\_

2. List and total all deposits & additions not shown on this statement:

Date	Amount	Date	Amount	Date	Amount
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

**Step 2 Total:** \$ \_\_\_\_\_

3. Add Step 2 Total to Step 1 Balance.

**Step 3 Total:** \$ \_\_\_\_\_

4. List and total all checks, ATM withdrawals, debit card purchases and other withdrawals not shown on this statement.

Check Number or Date	Amount	Check Number or Date	Amount
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**Step 4 Total:** -\$ \_\_\_\_\_

5. Subtract Step 4 Total from Step 3 Total. This should match your Checkbook Balance: \$ \_\_\_\_\_

**IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC FUNDS TRANSFERS:** Call or write us at the phone number or address on the front of this statement (non-personal accounts contact Customer Service) if you think your statement or receipt is incorrect or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the problem or error appeared. Be prepared to give us the following information:

- Your name and account number
- The dollar amount of the suspected error
- A description of the error or transfer you are unsure of, why you believe it is an error, or why you need more information.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days (or 20 business days for new accounts) to do this, we will credit your account for the amount you think is in error so that you will have use of the money during the time it takes us to complete our investigation.

**IN CASE OF ERRORS OR QUESTIONS ABOUT NON-ELECTRONIC TRANSACTIONS:** Contact the bank immediately if your statement is incorrect or if you need more information about any non-electronic transactions (checks or deposits) on this statement. If any such error appears, you must notify the bank in writing no later than 30 days after the statement was made available to you. For more complete details, see the Account Rules and Regulations or other applicable account agreement that governs your account.



JPMorgan Chase Bank, N.A. Member FDIC



December 01, 2010 through December 31, 2010

Account Number: 000000902949239

**CHECKS PAID**

CHECK NO.	DESCRIPTION	DATE PAID	AMOUNT
2390005 ^		12/13	\$3,500.00
7900006 * ^		12/02	103.44
<b>Total Checks Paid</b>			<b>\$3,603.44</b>

If you see a description in the Checks Paid section, it means that we received only electronic information about the check, not the original or an image of the check. As a result, we're not able to return the check to you or show you an image.

\* All of your recent checks may not be on this statement, either because they haven't cleared yet or they were listed on one of your previous statements.

^ An image of this check may be available for you to view on Chase.com.

**FEES AND OTHER WITHDRAWALS**

DATE	DESCRIPTION	AMOUNT
12/01	12/01 Withdrawal	\$1,213.96
12/01	12/01 Withdrawal	543.03
12/01	Official Checks Charge	8.00
12/01	Official Checks Charge	8.00
12/21	12/21 Withdrawal	3,750.00
12/21	12/21 Withdrawal	1,353.93
<b>Total Fees &amp; Other Withdrawals</b>		<b>\$6,876.92</b>

**DAILY ENDING BALANCE**

DATE	AMOUNT
12/01	\$54,465.00
12/02	54,361.56
12/09	55,342.21
12/13	51,842.21
12/21	46,738.28
12/22	59,415.74

**SERVICE CHARGE SUMMARY**

TRANSACTIONS FOR SERVICE FEE CALCULATION	NUMBER OF TRANSACTIONS
Checks Paid / Debits	6
Deposits / Credits	3
Deposited Items	9
<b>Transaction Total</b>	<b>18</b>

SERVICE FEE CALCULATION	AMOUNT
Service Fee	\$18.00
Service Fee Credit	-\$18.00
<b>Net Service Fee</b>	<b>\$0.00</b>
Excessive Transaction Fees (Above 200)	\$0.00
<b>Total Service Fees</b>	<b>\$0.00</b>



December 01, 2010 through December 31, 2010

Account Number: **000000902949239**

## Account Rules and Regulations - Additional Banking Services and Fees for Business Accounts

The following changes to the Additional Banking Services and Fees for Chase checking and savings accounts are effective February 5, 2011. Unless otherwise indicated, fees apply to all checking and savings accounts except Commercial Checking and Commercial Checking with Interest accounts.

### ATM and Debit Card Fees

- Withdrawal at a non-Chase ATM outside the United States, Puerto Rico and the US Virgin Islands (1) \$ 5.00 / withdrawal
- Non-Chase ATM Withdrawals at a non-Chase ATM within the United States, Puerto Rico and the US Virgin Islands and any non-Chase ATM Inquiries and Transfers (1) remains at \$2.00 / transaction
- ATM Statement (When you print your recent account transactions at an ATM) \$ 1.00 / statement

Overdraft Protection Transfer Fee (2) \$12.00 / transfer

(We will not charge an Overdraft Protection Transfer Fee if your ending account balance, before any Overdraft Protection Transfers are made is overdrawn by \$5 or less.)

Deposited Item Returned (or cashed item returned) \$12.00 / item

(For example, you deposit an item such as a check, and it is not paid due to insufficient funds.)

Stop Payment (2) \$34.00 / item

Stop Payment via Chase.com or Chase by Phone<sup>®</sup> automated phone system (2)

\$27.00 / item

Wire Transfer - Domestic Outgoing (2)

\$30.00 / item

Wire Transfer - Domestic Outgoing via Chase.com (2, 3)

\$25.00 / item

Counter Check

\$ 2.00 / check

Legal Process (4)

up to \$125.00/order

(For processing any garnishment, tax levy, or other court or administrative order against an account, whether or not the funds are actually paid out)

(1) Usage Fee may be charged by the institution that owns the ATM. Additional fees may apply when using an ATM outside the United States, Puerto Rico and the US Virgin Islands.

(2) Chase BusinessPlus: first two free outgoing domestic wires, stop payments, ODP transfers each statement period; Chase BusinessPlus Extra Checking: first four free outgoing domestic wires, stop payments, ODP transfers each statement period; Chase BusinessPlus Premium: first eight free outgoing domestic wires, stop payments, ODP transfers each statement period. (Interest bearing counterparts included).

(3) For Chase Advanced Business Checking<sup>SM</sup> and Chase Advanced Business Checking<sup>SM</sup> with Interest the Wire Transfer fee for Domestic Outgoing wires via Chase.com remains at \$10/item.

(4) The \$125 fee remains the same for accounts opened in CT, NJ and NY.